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upon this subject. Nor can we always agree with some of the statements which the author makes on his own authority. When, for example, he gives us to understand that the English woolgrowers found increasing difficulty in selling their wool after 1750, he is contradicted by the table of prices set forth on the same page. He had already exclaimed against the fancy that English wool in former ages was better than that of other countries; whereas all authorities concur that this was no mere fancy, and that, until the growing of mutton became more profitable than the growing of wool, the English wool far surpassed any other in the world. We find it necessary, furthermore, to decline to accept certain wide-reaching conclusions which are arrived at by our author toward the end of his study. Prominent among these is his explanation of a depression, which he finds that English industry has labored under for a generation. Rejecting as insufficient the causes hitherto assigned for this depression, M. Dechesne records his belief that: "*De tous les phénomènes capables d'exercer une action aussi générale et aussi durable nous n'en voyons qu'un, la contraction monétaire, qui précisément occupe la même période.*" As we cannot here argue this point with M. Dechesne, we must content ourselves with expressing an emphatic disagreement.

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THOMAS WALKER PAGE.

Die Industrie der Rheinprovinz: Ein Beitrag zur Frage der Handelspolitik und der Kartelle. By THEODOR VOGELSTEIN. Berlin: J. G. Cotta'sche Buchhandlung Nachfolger, 1902. 8vo, pp. 112.

DR. VOGELSTEIN writes the forty-seventh volume of the *Münchener volkswirtschaftliche Studien*, edited by Professors Brentano and Lotz. The plan of the more recent numbers of this series is to select important industries in certain parts of the German empire, and to examine in the case of specific industries the effect of the commercial policy of recent years, and what conditions will most conduce to the further industrial development. The above monograph treats of the industrial conditions during the years 1888-1900 in the Rhine Province. So painstaking has been the investigation, and so typical have been certain of the situations considered, that the conclusions are of great value to other countries than Germany.

The monograph is divided into four chapters dealing respectively with the general status of industry in the Rhine Province from 1888

to 1900, with the addition of certain data to 1902; a historical survey of the textile industry during the same period; a similar sketch of the fuel and iron and steel industries; and, finally, a study of the policy of the trade combines or *Kartelle*, under the protective system. The first chapter is subdivided so as to emphasize the historical conditions just preceding the conservative commercial treaties of Germany, Austria-Hungary, Belgium, Italy, and Switzerland, effective in 1892; then the period of the treaties, which, though moderate, afforded an advantage at the time of the general industrial depression, up to the adoption of the much-welcomed Russian treaty of 1894; and finally the interval to the German depression of 1900.

The chapter on the commercial policy of the *Kartelle* under a protective tariff is of greatest immediate interest. The author here attempts to answer such questions as: the actual sales policy of the *Kartelle* in the case of internal and external trade; their ability and disposition to steady the market; those benefited by the protective tariff; and the effect of the tariff in determining the character of business organization.

The conclusions of the author are based upon a large number of facts carefully and laboriously compiled. Of so much importance are the questions here answered that it is to be hoped, as Professor Lotz has recommended, that the conclusions reached may be still more enriched through the work of a statistical commission.

The fuel and iron and steel combines are, from the nature of the case, of higher order than the non-monopolistic textile industries and the conclusions relate primarily to the former. The author's facts prove conclusively that the protective argument of von List no longer obtains in the iron and steel business. Internal price-competition is largely regulated, so that in times of prosperity the inland price usually exceeds the world price by the amount of the tariff duty and freight. In times of great expansion comparatively little attention is paid to the foreign market; with the approach of an industrial depression, however, the foreign ends are again caught up, and that, of course, by a reduction of price to a point perhaps where the amortization and interest burden are borne by the exported article and where the export is facilitated through the aid of syndicates supplying the necessary materials, raw or half-finished. The tariff thus becomes a distinct burden upon the consumer, and, so far as he is concerned, it would be a matter of indifference whether he were required to pay for this foreign business through increased inland prices, or whether a tax were imposed upon him by the state for premium payments to export-

ers. A similar retaliation may be expected in the case of private aid to export as to public aid.

The facts cited by the author do not admit of a general conclusion as regards the ability of combines to steady things. At one time it looked as though the German syndicates were maintaining a certain industrial stability; at others, as though instead of exerting a steadying influence, they were ready to resort to a short-sighted policy of exploitation only possible in a country which under certain circumstances will sell at the world-price, or which under favorable conditions may increase prices beyond the prevailing market price by tariff and freight. Since 1900 the facts would seem to indicate that the influence of the syndicates has not been steadying.

The author takes it for granted that the abolition of a protective tariff could not possibly interfere with consolidation, this being simply a product of historical development. What the abolition would effect would be the reduction of prices of inland commodities for the benefit of the home consumer and the removal of the burden of cheap exports.

It takes very little analysis to convince oneself of the relatively advantageous positions occupied by producers of different orders of goods. In the case of a large export commodity, as wire, it can be shown that the protective tariff results in actual detriment to the manufacturers, the support of the various interests being insufficient to compensate for the losses incurred through the higher prices for fuel and half-manufactures. In the case of the coal and coke producers and half-manufactures on the other hand, the advantage of the protective tariff lies obviously with them, except when their support is demanded in promoting the export of finished products.

As a result of this fact the tendency exists for industry to become so organized that a single branch shall include the production of raw and of finished products. Such a business is in position to utilize the advantages of protection. There are many branches of industry, however, not adapted to such organization, and which as the producers of a finished product must forego the protective advantage. Moreover, those forms of business naturally protected and strong through organization are the ones that reap the greatest advantage.

Dr. Vogelstein has by no means given the impression that he considers his facts complete, and in no case has he ventured to strain after a conclusion. The work is exceedingly well done, and by a very scrutinizing observer.

JAMES HARRIS CURRAN.